United States Senate

WASHINGTON, DC 20510-4705

COMMITTEES:
COMMERCE, SCIENCE, AND TRANSPORTATION
ENERGY AND NATURAL RESOURCES
FINANCE
INDIAN AFFAIRS
SMALL BUSINESS

November 29, 2012

The Honorable Julius Genachowski Chairman Federal Communications Commission 445 12th Street SW Washington, D.C. 20554

Dear Chairman Genachowski:

I was very disappointed to read press accounts of your proposed draft order on media ownership rules that you recently circulated to the other Commissioners. My understanding is that your draft order on media cross-ownership significantly weakens the existing rule and is very similar to your proposed rule released last December and that which was put forward by your Republican predecessor in 2007. The Senate weighed in on this 2007 rule with a Resolution of Disapproval passed in May 2008, cosponsored by then-Senators Obama and Biden. The rule was subsequently remanded back to the agency in 2011 by the Third Circuit Court of Appeals. As I asked you at the May 2012, Senate Commerce Committee FCC oversight hearing, what is the difference between your proposed 2011 media cross-ownership rule and that rejected by the full Senate?

Just as disappointing is the fact that you are circulating a draft order on media ownership rules among the other Commissioners for a vote in private rather than have the item voted on at an FCC open meeting. From day one, the FCC's most recent quadrennial review of media ownership rules has not been conducted in an open and transparent way. There were no public meeting or hearings after the proposed rules were released in December 2011. Given how important media ownership rules are to the public and to the public interest and the recent history of the issue at the Commission, I expected you would conduct this process in a more transparent manner.

I am calling on you to have a public vote on the media ownership report and order at the next FCC open meeting. You will have the opportunity to publicly explain your rationale for the weakening of the existing media cross-ownership rule and other elements of the report and order.

The American public deserves to hear directly from you and the other Commissioners on this critical matter.

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311 HART SENATE OFFICE BUILDING WASHINGTON, DC 20510–4705 (202) 224–3441 FAX: (202) 228–0514 I take issue with the FCC spokesman's comment earlier this month to a telecom industry trade publication that your draft order would end "outdated prohibitions on newspaper-radio and TV-radio cross-ownership." These rules were put in place and have remained in place because they support diversity, competition, and localism in the public interest. And even with these rules in place for decades, the Commission's Report on Ownership of Commercial Broadcast Stations the Commission released on November 14, 2012, shows the appallingly low level of ownership of broadcast media outlets by women and minorities. The report should have been used to inform those who drafted the circulating Report and Order. It is hard to see how this is possible because it doesn't appear that the public has had an opportunity to comment on the report. After looking over the data it becomes even more evident that weakening media ownership rules will make the already unsatisfactory situation with respect to women and minority ownership even worse.

FCC rules are supposed to serve the public interest. However, this proposed draft order appears to only serve the interest of large media companies that have made bad business decisions. There is no reason to do this. While it may be good for Wall Street, it is not good for Main Street. As you are well aware from your time in industry, sometimes today's proposed sure-fire business model becomes tomorrow's failed strategy. Several media conglomerates that have advocated for weakening media cross-ownership rules and increased cross-ownership in the past have or will be separating out their newspaper and broadcast assets. The argument that weakening existing media cross-ownership rules will save the newspaper industry just doesn't ring true. It will, though, diminish the diversity of local media ownership and consequently the diversity of local views, viewpoints, and opinions.

Sincerely,

Maria Cantwell

United States Senator

cc: Commissioner McDowell Commissioner Clyburn Commissioner Rosenworcel Commissioner Pai

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